Administrative Services & Licensing Division

FY2006 SIGNIFICANT ACCOMPLISHMENTS

1. The Division played an integral role in the coordination and development of the agency's response to the emergency conditions that resulted from Hurricanes Katrina and Rita. The following accomplishments are highlighted:

    A. Immediate development and implementation of a web-based online application form to expedite the issuance of temporary licenses for pharmacists licensed in other states, so that these pharmacists could work in Texas pharmacies to aid in the hurricane relief effort. This temporary license allowed a person to work at a sponsoring pharmacy until the expiration date of February 28, 2006.

    B. Successful certification of student interns who transferred from Louisiana to Texas following the devastation caused by Hurricane Katrina. This process was accelerated and resulted in the majority of these student interns being certified within one day of receipt.

    C. Provision of an application to provide temporary remote pharmacy services for pharmacies that needed to begin operating immediately at remote sites.

    D. Waiver of continuing education requirements until February 28, 2006, for Texas pharmacists who were inactive and seeking active status.

    E. Disseminating information to licensees and public.

2. The Division accomplished 93% of the Division's 27 Objectives for FY2006.

3. The Division successfully implemented 100% of legislation passed as a result of the agency Sunset Bill that directly affected the Administrative Services and Licensing programs of the agency (see New Objective #5).

4. The Division continued to achieve an exception-free audit by the Texas Building and Procurement Commission on the Delegated Service Certification Program.

5. Division staff led the discussion and resolution of the purchase of a new Health Professions Council imaging system (see Ongoing Objective #9).

6. Security and data system availability remained high, with 14,290 viruses captured (280% increase from FY2005), 1,797 potential system attacks blocked, and 241,735 spam and bad mail diverted (660% increase from FY2005).

7. Eligible division employees received an enhanced compensation award for their direct contributions towards the agency achievement of meeting 100% of its key performance measures in FY2005.

8.   The agency's website continued to provide accurate and concise information to Board customers. As evidenced by the comments received from external customers, it appears that the website is easily navigable and serves our customers well.

FY2006 SIGNIFICANT DISAPPOINTMENTS/CONSTRAINTS

1. The actions of the 79th Texas Legislature continue to negatively affect the agency's budget, which can be directly linked to employee dissatisfaction and ultimately, to employee turnover. These actions include:

    A. Legislative directive to increase state employee longevity and hazardous duty without corresponding increase to agency appropriations.

    B. Legislative directive to increase meals and lodging for board members and staff, without corresponding increase to agency appropriation.

    C. Significant increases to out-of-pocket costs for health coverage by all state employees;

    D. Reduced state contribution of health care coverage for part-time employees; and

    E. Continuance of a 90-day waiting period for health insurance and state retirement contribution for new state employees.

2. The continued implementation of the registration and ongoing renewal of Pharmacy Technicians, along with the increased workload caused by the natural disasters of Hurricanes Katrina and Rita, took its toll on all agency staff. The following chart shows some of the increase in workload requirements that affected not only Licensing, but Administrative Services as well.

WORKLOAD INCREASES

	Total Number of Licensees	% Increase	Telephone Calls Received	% Increase	E-Mail Inquiries Answered	% Increase
FY2003	27,364	--	10,000	--	4,000	--
FY2004	50,289	84%	19,737	97%	10,880	172%
FY2005	55,432	10%	20,600	5%	13,000	19%
FY2006	59,615	7.55%	26,500	28.64%	19,500	50%
Cumulative Increase		**118%**		**165%**		**387%**

3.   Workspace became a premium commodity in FY2006, as three new positions were added to the agency. Existing conference room and workroom space were downsized in order to accommodate the new office space. In addition, the agency has begun replacing existing offices with smaller cubicles, which historically, is not viewed as a positive employee benefit.

FY2006 ANNUAL REPORT

GOAL

To administer agency operations including personnel, accounting, budgeting, purchasing, property management, and information technologies. To conduct a pharmacy and pharmacist licensure system, pharmacy technician registration system, and the ongoing renewal of licenses and registrations.

Objectives (New)

1.   To assist the Executive Director, in cooperation with other Divisions, in updating and preparing the TSBP *Strategic Plan* for the FY2007-2011 period and submitting the plan to the Governor≥s Office of Budget, Planning, and Policy and the Legislative Budget Board by the due date.

Status: **ACCOMPLISHED**

Comment: The *Strategic Plan for the 2007-2011* period was the product of the following:

> A.   Overall review of the *2007-2011 Strategic Plan* by the Board Members and agency staff (Internal Assessment) with a significant amount of input provided as to changes, issues, and updates that need to be addressed; and

> B.   Comments solicited from key pharmacy professional organizations, consumer advocacy groups, governmental agencies, and academic institutions.

> The agency researched the trends and resulting issues expected to have the most significant impact on the profession and regulation of pharmacy over the next five years. The Board Members worked with staff to develop Issue Statements and approved the final *Strategic Plan* at the May 2006 Board Business Meeting. The TSBP *Strategic Plan* was published and delivered to the Governor's Office and other applicable agencies by the due date.

2.   To assist the Executive Director, by preparing a proposed budget, in cooperation with other Divisions, for the FY2008-2009 biennium for review and approval by the Board at the 2006 Board Budget Meeting.

Status: **ACCOMPLISHED**

Comment: The Executive Committee reviewed staff's recommendations for the exceptional items contained in the *Legislative Appropriation Request* (LAR) for FY2008-2009 in March 2006. The full Board met in May 2006 to review and approve the agency's *Strategic Plan* for FY2007-2011 and the LAR for FY2008-2009. This

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review process linked the strategic planning process to the budgeting process. The Board Members were apprised of the exceptional items requested in the LAR, which included an increase to the Executive Director's salary, new positions to maintain services, funding for a merit salary program, the testing of compounded products, Texas Online appropriations, and the Pharmacy Recovery Network.

3.   To assist the Executive Director, by preparing and submitting, in cooperation with other Divisions, the agency's FY2008-2009 Legislative Appropriation Request (LAR) and corresponding performance measures by the due date.

Status: ACCOMPLISHED

Comment: The *LAR* was submitted to the Legislative Budget Board (LBB) and the Governor's Office of Budget, Planning,and Policy (GBO) by the due date of July 28, 2006. The LAR included the items approved by the Board in May 2006, as well as a funding level at 90% of the agency's current funding. The agency's first budget hearing with the staff of the GBO and LBB was held on August 21, 2006.

4.   To assist the Executive Director, in cooperation with other Divisions, in the implementation of the new program to register and regulate pharmacy technician trainees, throughout FY2006.

Status: ACCOMPLISHED

Comment: Division Director participated in discussions with the Executive Director and other Division Directors regarding proposed rules to implement the technician trainee program, which included the following four primary concepts: (1) registration would be online at no charge; (2) no person would be able to perform technician duties after the deadline (February 1, 2007), without first obtaining a registration certificate from TSBP; (3) a two-year time period would be allowed to complete the registration process (and the registration would not be able to be renewed); and (4) applicants for registration would be required to submit fingerprint information (and be responsible for all associated costs). At its meeting held on February 7-8, 2006, the Board voted to approve the proposed rules as drafted by Board staff, including the four concepts described above.   On May 9, 2006, the Board held a public hearing on the proposed rules. On May 9-10, 2006, the Board discussed the proposed rules and comments made at the public hearing regarding the proposed rules. On May 10, 2006, the Board voted to adopt the proposed rules with the four concepts described above. The process of registering technician trainees will begin in FY2007.

5.   To assist the Executive Director, in cooperation with other Divisions, in reviewing and implementing legislation passed by the 79th Texas Legislature that affects agency operations and/or the practice of pharmacy throughout FY2006.

Status: ACCOMPLISHED

ADMINISTRATIVE SERVICES & LICENSING

Comment: Actions taken by the 79th Texas Legislature that had an impact on the Administrative Services & Licensing Division are described below:

A.   The general revenue-dedicated account of the agency was abolished. Approximately $5.4 million was transferred from the TSBP dedicated account to the general revenue account.

B.   A number of positions in the Attorney, Legal Assistant and Accounting series were reallocated to a different classification due to changes to the State Classification of Position Descriptions.

C.   A number of changes affecting state employees were communicated to agency employees. These included increased mileage and travel rates; policies regarding return-to-work retirees; longevity and hazardous pay increases; across-the-board pay raises; use of equity adjustments; communication with employees regarding the State Kids Insurance Program; and various leave provisions.

D.   Increase in the maximum cost of certain awards presented to state employees.

E.   Establishment of a Business Portal by the Texas Economic Development & Tourism Office of the Governor's Office that required a "common permit application" for business permits (i.e., pharmacy licenses).

F.   Appropriation Transfers between Strategies was limited to 12.5%.

G.   A number of bills affecting the management of electronic and telecommunications services, security requirements, disposal of data processing equipment, and provision on the Internet of agency forms, and Internet training.

H.   Requirement for Board Members to complete Open Meetings and   Open Records training.

I.   Agency Sunset Bill provided for a number of changes to the licensing programs, including:

  (1)   addition of a service field to pharmacy applications to capture sterile compounding risk levels.

  (2)   additional profile questions to pharmacy applications to determine information if a pharmacy has a website.

  (3)   confidentiality of home addresses and home telephone numbers of interns, pharmacist applicants, pharmacists, technicians, and pharmacy owners.

  (4)   adoption of rules to ensure that examinations are administered in compliance with the Americans with Disabilities Act of 1990.

  (5)   procedures regarding examination refunds to pharmacist applicants.

  (6)   procedures that address reciprocity requirements of pharmacist applicants.

      (7)   procedures regarding the delinquent fees charged to pharmacists and pharmacies.

      (8)   additional renewal requirements for Class E pharmacies.

6.   To assist the Executive Director, in cooperation with other Divisions, in the orientation of new Board Members within 90 days of appointment by the Governor.

Status: ACCOMPLISHED

Comment: On August 10, 2006, the Governor announced the appointment of two new Board Members (Jeanne Waggener, R.Ph., community pharmacist from Bellmead, Texas, and Alice Mendoza, R.Ph., hospital pharmacist from Kingsville, Texas) and the reappointment of Rosemary Combs, public member from El Paso, Texas. After consultation with the new Board members and their approval, the Executive Director scheduled dates for the orientation (September 26-27, 2006). Although the orientation will occur within 60 days of the Governor's appointments, the orientation process will not be completed until FY2007.

Objectives (Ongoing – Administrative Services)

1.   To prepare a proposed budget for FY2007 for submission to the Board two weeks prior to the 2006 Annual Policy Meeting.

Status: ACCOMPLISHED

Comment: A proposed budget, including revenue projections, was presented and approved at the August 2006 Board Business Meeting.

2.   To comply with all Comptroller Accounting Policies, Notices to State Agencies, and Attorney General Opinions relating to fiscal matters by specified due dates throughout FY2006.

Status: ACCOMPLISHED

Comment: All accounting policies were reviewed and procedures were implemented or revised as required. These policies ranged from security procedures for USAS/USPS, calculations of various oversight agencies assessments, certifications, appropriation modifications, and a number of accounting/budget transactions.

3.   To prepare and submit all required accounting and fiscal reports/reconciliations in compliance with all applicable state statutes throughout FY2006.

Status: ACCOMPLISHED

Comment: The Texas Internal Audit Act requires all agencies to conduct a formal risk assessment and submit an annual Risk Assessment Report to the Office of the State Auditor (SAO). The agency conducted an assessment of the major programs of the agency (i.e., fiscal, technology, licensing, public information, enforcement) and submitted the Risk Assessment Report by the due date to the SAO.

The agency submitted the Annual Financial Report (AFR) and the Annual Report of Non-Financial Data, to the Office of the Comptroller for the year ending August 31, 2006, by the due dates. The AFR was reviewed by the Comptroller's Office as part of the statewide annual financial report and found to be in compliance.

Finally, a report was submitted to the Executive Director/Secretary for each month during the fiscal year that outlined major financial reports and reconciliations completed for the prior month.

4.   To review and recommend to the Executive Director additional sources of spendable revenue and to assess fees charged for Board services throughout FY2006.

Status: ACCOMPLISHED

Comment: A quarterly operating budget was presented to the Board at each of the regularly scheduled business meetings and recorded as such in the official minutes of the Board meeting. Revenue projections were made in light of the passage of the agency's Sunset Bill (SB 410), additional capital budget items, an increase to the executive director's salary, and an across-the-board salary increase for classified employees. These revenue projections were based on a decrease to initial licensure and renewal of pharmacy and pharmacist licenses, as well as pharmacy technician fees, effective November 2006 (FY2007). The Board also approved a recommendation to allow the upcoming technician-in-training applicants to register at no charge.

Based on a review of the agency's revenue projections for FY2006-2007, the Comptroller of Public Accounts released contingent appropriations of $599,987 and an estimated $73,589 in employee benefits for the biennium.

5.   To assess the material needs of the agency and supervise the purchasing and supply activities in accordance with all Building and Procurement Commission rules and procedures throughout FY2006.

Status: ACCOMPLISHED

Comment: A Post-Procurement and Payment audit for the period May 2006 was conducted by the Texas Building and Procurement Commission (TBPC), resulting in a 95.56% compliance rating. In addition, the Chief Accountant continued to review all specifications, product tabulations, and purchase requisitions for compliance with agency policies and procedures and TBPC rules. This oversight ensured that the appropriate procurement method was identified, the agency received the best value for the product or service purchased, and that funds were always available.

6.   To increase the efficiency and productivity of Board office operations by managing and coordinating space needs and on-site maintenance of the Board's office facilities throughout FY2006.

Status: ACCOMPLISHED

Comment: As a result of the passage of the General Appropriations Act, 79th Regular Session, which added three new positions in FY2006, an Office Space Project was implemented to convert existing conference room space to office space. This project included such tasks as developing floor plans, storing and/or disposing of existing conference room furniture, locating new conference room space, buildout of new office space, ordering and installing new furniture and telecommunications, and moving staff. The entire Project began in September 2005 and was completed by December 2005.

7.   To serve as the agency's Human Resource Coordinator in ensuring agency compliance with all applicable state and federal personnel statutes throughout FY2006.

Status: ACCOMPLISHED

Comment:

A.   All newly hired and current employees received Equal Employment Opportunity/Sexual Harassment Training as required by state law.

B.   Division directors continued to review and revise employee position descriptions, with a resulting five reclassifications submitted and approved.

C.   The agency reviewed its Handbook of Personnel Policies & Procedures, with particular emphasis on policies regarding recruitment, performance evaluations, disciplinary actions, and harassment, including sexual harassment. Updates were made as necessary. One employee complaint was filed and resolved internally and there were no employment discrimination or other charges initiated with the Texas Commission on Human Rights.

D.   The agency received 516 applications for employment during this fiscal year, which resulted in 12 new hires and three promotions. (Note: Providing EEO information by applicants is strictly voluntary. 67 applicants did not provide the information.)

E.   Employee turnover was 7.24%, which included four separations. This compares to the overall turnover of the state of 15.8%.

F.   The following table reflects the agency=s EEO profile for employees hired, promoted, or terminated during FY2006, as well as an applicant profile report. This table is followed by workforce demographics that compare the agency to all state agencies.
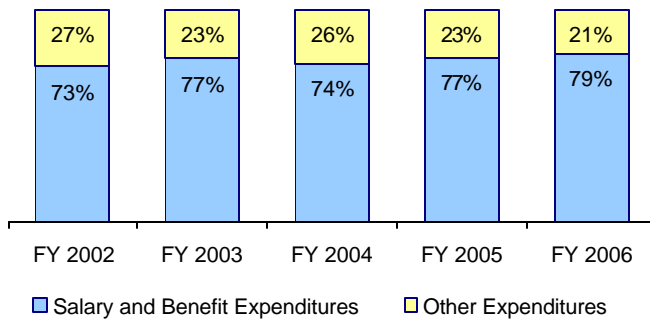
ADMINISTRATIVE SERVICES & LICENSING

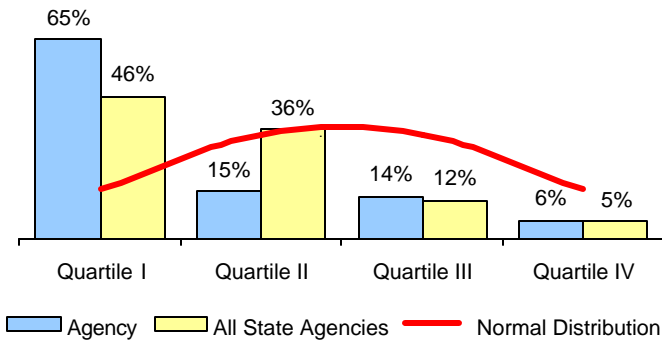| Texas State Board of Pharmacy										
EEO Data as of August 2006										
Agency EEO Dat	**WHITE**		**BLACK**		**HISPANIC**		**OTHER**		**TOTAL**		**GRAND**
	M	F	M	F	M	F	M	F	M	F	**TOTAL**
Administrators	0	5	0	0	0	0	0	0	0	5	5
Professional	5	9	0	1	1	0	0	0	6	10	16
Para-Prof	6	12	0	0	1	9	0	2	7	23	30
Admin Support	0	2	0	1	0	2	0	0	0	5	5
TOTALS	11	28	0	2	2	11	0	2	13	43	56
New Hires	**WHITE**		**BLACK**		**HISPANIC**		**OTHER**		**TOTAL**		**GRAND**
	M	F	M	F	M	F	M	F	M	F	**TOTAL**
Administrators	0	0	0	0	0	0	0	0	0	0	0
Professional	0	2	0	0	0	0	0	0	0	2	2
Para-Prof	1	2	0	0	1	0	0	1	2	3	5
Admin Support	0	1	0	1	0	0	0	0	0	2	2
TOTALS	1	5	0	1	1	0	0	1	2	7	9
Promotions	**WHITE**		**BLACK**		**HISPANIC**		**OTHER**		**TOTAL**		**GRAND**
	M	F	M	F	M	F	M	F	M	F	**TOTAL**
Administrators	0	0	0	0	0	0	0	0	0	0	0
Professional	1	1	0	0	0	0	0	0	1	1	2
Para-Prof	1	0	0	0	0	0	0	0	1	0	1
Admin Support	0	0	0	0	0	0	0	0	0	0	0
TOTALS	2	1	0	0	0	0	0	0	2	1	3
Terminations	**WHITE**		**BLACK**		**HISPANIC**		**OTHER**		**TOTAL**		**GRAND**
	M	F	M	F	M	F	M	F	M	F	**TOTAL**
Administrators	0	0	0	0	0	0	0	0	0	0	0
Professional	0	1	0	0	0	0	0	0	0	1	1
Para-Prof	0	2	0	1	0	0	0	0	0	3	3
Clerical	0	0	0	0	0	0	0	0	0	0	0
TOTALS	0	3	0	1	0	0	0	0	0	4	4

			EEO Cat	WHITE		BLACK		HISPANIC		OTHER		TOTAL		GRAND TOTAL	EEO Info not provided	GRAND TOTAL
				M	F	M	F	M	F	M	F	M	F			
		Hire Date														
TBP05-011	Compliance Specialist	09/01/05	P	8	26	1	5	8	12	0	6	17	49	66	8	74
TBP05-013	Enforcement Specialist	10/01/05	P	4	24	0	6	4	7	1	0	9	37	46	12	58
TBP06-004	Staff Attny (Attny IV)	12/19/05	P	0	1	0	0	0	0	0	0	0	1	1	1	2
TBP06-006	Asst Dir of Enforcement	08/01/06	P	1	0	0	0	0	0	0	0	1	0	1	0	1
				13	51	1	11	12	19	1	6	27	87	114	21	135
TBP05-014	Investigator IV - Central Tx	11/07/05	Q	5	3	1	0	2	0	0	0	8	3	11	5	16
TBP06-002	Enforcement Specialist Inv II	01/01/06	Q	5	21	1	4	1	7	0	1	7	33	40	8	48
TBP06-003	Deputy Chief of Inv (Inv VI)	12/01/05	Q	2	0	0	0	0	0	0	0	2	0	2	0	2
TBP06-005	Admin Asst IV (Prof Svcs)	08/01/06	Q	4	49	0	18	6	18	0	2	10	87	97	9	106
TBP06-007	Compliance Inspector	08/14/06	Q	5	6	13	5	2	3	6	2	26	16	42	5	47
TPB06-010	Legal Assistant	06/26/06	Q	2	5	0	2	1	1	0	2	3	10	13	2	15
TBP06-011	Legal Assistant	08/14/06	Q	0	8	0	3	1	1	0	1	1	13	14	0	14
				23	92	15	32	13	30	6	8	57	162	219	29	248
TBP06-001	Enforcement Admin Asst III	12/05/05	C	6	34	0	15	2	21	1	3	9	73	82	7	89
TBP05-012	Receptionist	10/10/05	C	0	13	0	10	1	9	1	0	2	32	34	10	44
				6	47	0	25	3	30	2	3	11	105	116	17	133
				42	190	16	68	28	79	9	17	95	354	449	67	516

Texas State Board of Pharmacy — EEO Statistics - APPLICANTS — FISCAL YEAR 2006

Compensation Information

Salary and Benefit Expenditures as a Percentage of Operating Expenditures (Cash only)

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Other Expenditures	27%	23%	26%	23%	21%
Salary and Benefit Expenditures	73%	77%	74%	77%	79%

☐ Salary and Benefit Expenditures ☐ Other Expenditures

Employee Placement in Pay Range Quartiles

	Quartile I	Quartile II	Quartile III	Quartile IV
Agency	65%	15%	14%	6%
All State Agencies	46%	36%	12%	5%

☐ Agency ☐ All State Agencies — Normal Distribution

Salary Trends

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Executive Director	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 77,500
Agency Average	$ 44,000	$ 45,162	$ 43,583	$ 42,428	$ 43,991
Article Average	$ 39,550	$ 40,226	$ 40,899	$ 41,165	$ 43,476
Statewide Average	$ 32,099	$ 32,495	$ 32,681	$ 32,848	$ 34,817

Salary Actions

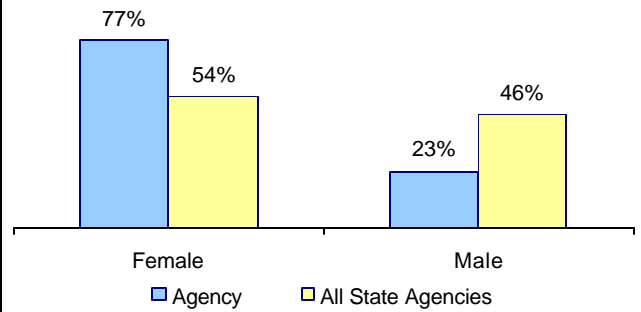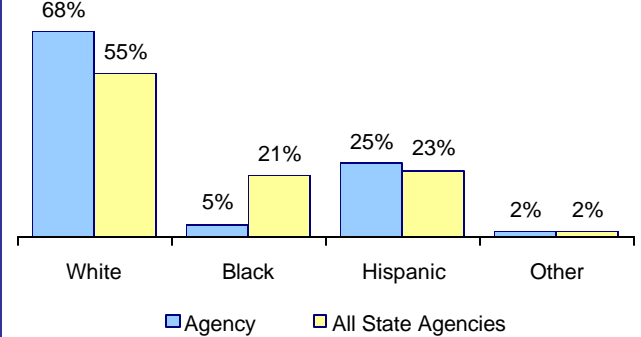|	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Promotions	0	0	5	2	3
Demotions	0	0	0	0	1
Merits	25	0	36	6	0
One-Time Merits	0	12	36	46	46
Reclassifications	6	4	3	3	5

Fiscal Year 2006 Major Job Groups

- Inspectors and Investigators 27%
- Program Management 24%
- Administrative Support 21%
- Legal 13%
- Other 16%
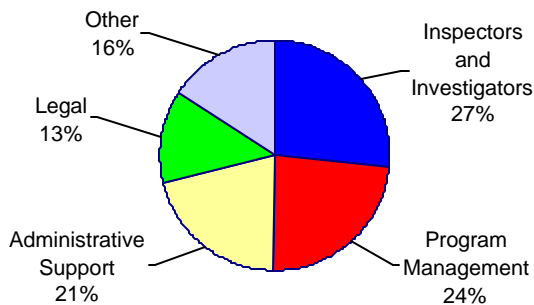
Percentage in graphs may not always equal exactly 100% due to rounding.

Fiscal Year 2006 Workforce Demographics *

Gender

	Female	Male
Agency	77%	23%
All State Agencies	54%	46%

☐ Agency ☐ All State Agencies

Ethnic Group

	White	Black	Hispanic	Other
Agency	68%	5%	25%	2%
All State Agencies	55%	21%	23%	2%

☐ Agency ☐ All State Agencies

Age

	Under 30 yrs	30 - 39 yrs	40 - 49 yrs	50 - 59 yrs	60 yrs and older
Agency	9%	23%	36%	24%	9%
All State Agencies	15%	24%	30%	25%	6%

☐ Agency ☐ All State Agencies

Agency Tenure

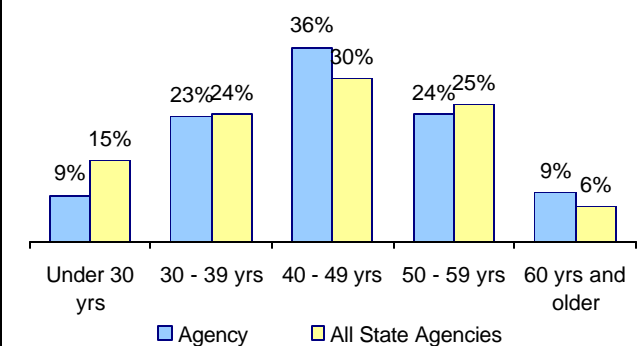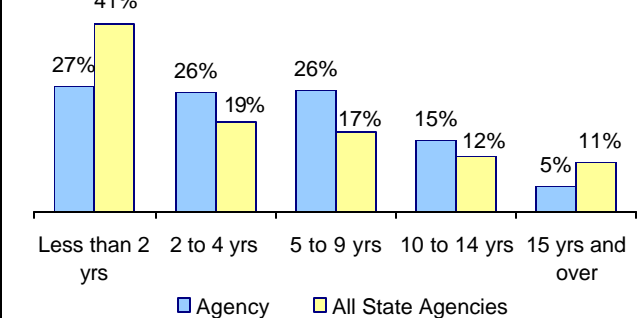|	Less than 2 yrs	2 to 4 yrs	5 to 9 yrs	10 to 14 yrs	15 yrs and over
Agency	27%	26%	26%	15%	5%
All State Agencies	41%	19%	17%	12%	11%

☐ Agency ☐ All State Agencies

* Workforce demographic information includes classified regular full-time and part-time employees. It may appear skewed for agencies with fewer than 50 employees.

8.   **To manage the information resource needs (data processing, telecommunication, and Web site) of the agency throughout FY2006.**

Status: **ACCOMPLISHED**

Comment:

A.   Security and system availability remained a top priority with 14,290 viruses captured (280% increase from previous year), 1,797 potential system attacks blocked, and 241,735 spam and bad mail diverted (660% increase from previous year).

B.   All necessary hardware/software were replaced in accordance with the agency=s Life Cycle Schedule.

C.   Imaging import project continued for pharmacists and pharmacy technicians.

D.   Successful conversion of WordPerfect to WORD.

E.   Other conversions and migrations included a desktop anti-spyware upgrade and Outlook 2003 rollout. Successful web projects included the creation of a sex offender database match; Agreed Board Order station for the legal team; and the posting of Hurricane emergency information.

F.   Development of Information Technology budget for FY2008-2009; Strategy Allocation and Information Resources Strategic Plan.

9.   **To serve as the Agency Records Retention Manager to the Texas State Library, in maintaining a Records Retention Program for the economical and efficient management of agency records throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: In cooperation with the Board of Nurse Examiners, the TSBP coordinated the purchase and replacement of the HPC imaging system. An upgrade of the previous system was determined to be cost prohibitive so a new and more cost effective solution was sought, selected, and implemented.

In addition, agency staff destroyed 421 cubic feet of records in accordance with the TSBP records retention schedule, and 68 cubic feet of records were sent to the State Library for storage.

Finally, the agency continues to save valuable square footage by imaging licensing files. The pharmacist imaging project continued with 11,494 pages scanned into the imaging system. The project to image all pharmacy technician files was initiated, with 105,248 pages scanned into the imaging system.

10.   **To provide verbal and written information to Board staff and customers throughout FY2006 including, by the assigned due dates, the preparation   of:**

      A.   LBB Performance and Funds Management Report and other special reports as requested by LBB, legislative committees, legislators, and others, in conjunction with other Divisions as necessary;

      B.   responses to surveys and questionnaires; and

      C.   a report of the types and numbers of surveys/questionnaires/reports completed by all Divisions during FY2006.

Status: **ACCOMPLISHED**

Comment: This objective was accomplished as follows:

      A.   Statutorily Required Reports

Report Title	Recipient(s)	Division Reporting
FTE State Employees	State Auditor	Administration
Governmental Employees Quarterly Report	Texas Workforce Commission	Administration
Employer=s Quarterly Federal Tax Return	Internal Revenue Service	Administration
Retirement Contributions Reconciliation Report	Employees Retirement System	Administration
Annual Financial Report	Governor=s Office; Legislative Budget Board; State Comptroller; State Auditor	Administration
Non-Financial Annual Report	Governor=s Office; Legislative Budget Board; State Comptroller; State Auditor	Administration
Recycled Materials Expenditures	Texas Building & Procurement Commission	Administration
Historically Underutilized Business Progress Reports	Governor=s Office; Lt. Governor; Speaker of House; Texas Building & Procurement Commission	Administration
Encumbrance Reports	State Comptroller; State Auditor; Legislative Budget Board	Administration
State Use Report	Texas Building & Procurement Commission	Administration
EEO Information Report	Texas Workforce Commission	Administration
Minority Hiring Practices	Texas Workforce Commission	Administration
SORM 200	Office of Risk Management	Administration
Performance and Funds Mgmt. Reports	Legislative Budget Board	Administration Enforcement

ADMINISTRATIVE SERVICES & LICENSING

Report Title	Recipient(s)	Division Reporting
Contract Workforce Report	State Auditor; Legislative Budget Board; Governor	Administration
Open Records Online Monthly Report	Legislative Budget Board	All
Resource Efficiency Plan and Updates	Comptroller	Administration
Set Aside Report	Texas Industries for the Blind	Administration
Fleet Management Report	Texas Building & Procurement Commission	Administration
FY06 Risk Assessment	Governor=s Office; Legislative Budget Board; State Comptroller; State Auditor, Sunset Advisory Commission	Administration
Report on Customer Service	Governor's Office	Administration
Strategic Plan	Governor, Legislative Budget Board, Leadership Leadership	All
Legislative Appropriations Request	Governor, Legislative Budget Board, Leadership Leadership	All

B.   Other Surveys and Questionnaires:

Report Title	Recipient(s)	Division Reporting
DIR Survey of Internet Training	Department of Information Resources	Administration
Space Utilization Survey	Texas Building & Procurement Commission	Administration
SORM Report	SORM	Administration
Hurricane Katrina/Rita Costs	Office of the Governor	Administration
Fraud Prevention Plan Update	Office of the Governor	All
Texas Online Report	Legislative Budget Board	Administration
Classification Position Audit	Office of State Auditor	Enforcement
Agency Fee/Revenue Survey	Legislative Budget Board	Administration
Classification System Recommended Changes	Office of State Auditor	Administration
Energy Plan	Office of the Governor	Administration
Complaint Data	Senate	Enforcement
Regulatory Agency Testing Survey	House Appropriations committee	Licensing

Report Title	Recipient(s)	Division Reporting
Survey on Criminal Background Records	Office of the State Auditor	Enforcement

    C.   Types and numbers of surveys/questionnaires/reports completed by all Divisions:

The Administrative Services Division answered approximately 1,500 telephone calls and responded to approximately 4,500 emails to Board customers. See Licensing Services Ongoing Objective #1, Professional Services Ongoing Objectives #9 &10, Legal Services Ongoing Objective #8, and Enforcement Ongoing Objective #6. In addition, the agency reported approximately 24,210 requests for information, both written and electronic, to the Office of the Attorney General.

11.   **To assist the Executive Director in developing and implementing the objectives of the Health Professions Council pertinent to Division activities throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: Division staff participated in the following activities:

    A.   Agency staff led the discussion and resolution of the purchase of the new HPC imaging system (see Ongoing Objective #9).

    B.   Accounting staff contributed time and expertise to an HPC agency (Board of Chiropractic Examiners) by performing payroll and cash functions due to a staff vacancy.

    C.   Health Professions Council (HPC) Annual Report - Division Director submitted recommendations and licensing performance data to be incorporated into the HPC Annual Report.

    D.   The agency continued to participate in several HPC centralized services, such as the Courier Service and Copy Center; Shared Employee Training; Shared Information Resource Technology staff, and use of the imaging system.

12. **To maintain a staff development program by encouraging Division staff to participate in professional and interpersonal development seminars, cross training, and on-the-job training throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: Division staff participated in the following activities:

.Cathy Stella		Participated in the development of the Consolidated Business Application Portal for Pharmacy Licenses
		Participant in Department of Health & Human Services Emergency Response Team
		Participant in meetings relating to additions/modifications to licensing applications relating to Texas Online, FBI Fingerprint System, and new computer systems (VERSA and Montana System)
		Budget Meetings with Management; Executive Committee and Board
		CPR and AED Recertification Training
		Defensive Driving Training
		Auditing the HR Function Workshop
		Occupational Licensing Committee Meetings
		Online Training on TBPC Recycling Program
		Orientation to Governor's Budget Analyst & Legislative Budget Board Analyst
		Employment Law Seminar
Jane Bennett		USAS User Meetings
		Internal Audit Meetings
		Small Agency Task Force Meetings
		Annual Financial Report Training
		Employee Assistance Presentations
		Statewide Property Accounting Users Group Meetings
		Texas Online Meetings
		Employment Law Seminar
		Working Together Effectively (Governor's Center for Management Development)
Robbi Dana		Fiscal Note Training
		Summer Enrollment Insurance Coordinator's Training
		Online EEO Compliance Training
		TX Human Resource Association Meetings
		CPR/AED Recertification Training
		EPay User Meetings
		Working Together Effectively (Governor's Center for Management Development)

Darlene Guthrie		IT Commodity Purchasing
		Procurement Manual Update Training
		DIR/JPMorgan Chase Conference
		Brown Bag Training Topic: Taking Procurement Exams Brown Bag Training Topic: Legislative Updates Brown Bag Training Topic: Contract Management Brown Bag Training Topic: Payment Cards (JPMorgan Chase) Brown Bag Training Topic: ComData Fleet Card
		Career Survival in Supply Management
		TCP/TBPC State Use Annual Meeting
		Recycle Coordinator's Meeting
		HUB Expo Training Topic: State Purchasing Methods
		Hobby Building Evacuation Meetings
		IT Commodity Purchasing
		TBPC Space Management Meetings
		Working Together Effectively (Governor's Center for Management Development)
Sandy Morton		Online EEO Training
		Defensive Driving
		USPS User Group Meetings
		Employee Assistance Presentations
		Working Together Effectively (Governor's Center for Management Development)
Mary Helen Oviedo		JP Morgan/Chase Annual Conference
		Online EEO Training
		TINS Online Entry Training
		Defensive Driving Class
		Comptroller Expenditure Object Code Class
		Employee Assistance Presentations
		Working Together Effectively (Governor's Center for Management Development)
Steve Rapp		The Essential Guide to Employment Law
		Online EEO Training
		Continued involvement in Small State Agency Task Force Meetings
		Employee Assistance Presentations
		WORD Training
		Management Staff Meetings
		Business Continuity Planning Course
		TASSCC Scholarship Award to attend the World Conference on Information Technology Human Resources Certification Course
		Working Together Effectively (Governor's Center for Management Development)

Todd Hayek		Online EEO Training
		Employee Assistance Presentations
		CD based Windows XP Course
		Working Together Effectively (Governor's Center for Management Development)
Lisa Ake		Informal Conference
		Agency Change Team Member
		State Agency Council Liaison
		Seminar on Fraud
		Presentation to Texas Schools of Pharmacy re: Intern Program and Applicant Process
		Working Together Effectively (Governor's Center for Management Development)
Estella Casarez		Proofreading
		First Class Customer Service
		EAP Presentation on Managing Holiday Stress
		Online EEO Training
		AED Training
		Working Together Effectively (Governor's Center for Management Development)
		Member of ACT (Agency Change Team)
		Life Balance & Stress Solutions
		Public Information Act
Rachel Glass		EAP Orientation to New Services
		EAP Presentation on Managing Holiday Stress
		Online EEO Training
		Defensive Driving Course
		Working Together Effectively (Governor's Center for Management Development)
Diana Martinez-Ruedas		Working Together Effectively (Governor's Center for Management Development)
		Open Records Training (Video)
		Clear Call Web-based Seminar
		Stress Management Seminar
		Informal Conference
		Online EEO Training
		EAP Presentations
Melinda Uballe		Online EEO Training
		Clear Call Web-based Seminar
		EAP Presentations
		Presentations to Texas Schools of Pharmacy re: Intern Program
		Working Together Effectively (Governor's Center for Management Development)

Misty Whitcomb		Online EEO Training
		EAP Presentations
		Working Together Effectively (Governor's Center for Management Development)
Carol Willess		Presentations to Texas Schools of Pharmacy re: Intern Program & Applicant Process
		Participant in Department of Health & Human Services Emergency Response Team
		Participant in meetings relating to additions/modifications to licensing applications relating to Texas Online, FBI Fingerprint System, Governor's Business Portal, and new computer systems (VERSA and Montana System)

13. **To conduct periodic reviews and annual evaluations of all employees under the supervision of this Division during FY2006.**

Status: **NOT ACCOMPLISHED**

Comment: Performance data for all 14 division employees was collected and prepared in FY2006; however, all evaluations will be conducted in September 2007 (FY2007). This was due primarily to a three-week medical absence of the Division Director in August 2006.

14. **To update the Agency Personnel Handbook and the Division's Policy and Procedure Manual as needed and submit any substantive revisions to the Executive Director for approval throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: This objective was accomplished as follows:

A. In cooperation with management staff, the Agency Personnel Handbook (Employee Handbook) was revised and distributed to agency employees in August 2006.

B. Revisions to the Board Member Policies and Procedures were approved in May 2006.

C. An initial draft of a complete revision of the Licensing Policies and Procedures was completed.

D. A draft of the TSBP Licensing and Enforcement System Description (VAX computer system) document was developed.

E. Purchasing policies were updated.

15. **To recommend policies and procedures to the Executive Director that will enhance the efficiency and effectiveness of the agency throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: See comments in Ongoing Objectives #8, #9, #11, #14, and #16.

16. **To recommend changes to the Texas Pharmacy Act and rules that will enhance the agency's ability to protect the public health, safety, and welfare, or will improve the efficiency and effectiveness of the agency's operations, and forward the recommendations to the Executive Director throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: Rules and procedures regarding licensing and registration of pharmacists, pharmacies, interns, and pharmacy technicians are reviewed on a regular basis and recommendations are made as necessary. In particular, division staff contributed to the development of new rules relating to the following:

    A.   Licensing of temporary pharmacists as a result of the Hurricane Katrina and Hurricane Rita disasters;

    B.   Registration of pharmacy technicians-in-training;

    C.   Decreased fees of all registrants and licensees.

In addition, new rider language was recommended for the FY2008-2009 LAR that allows the agency to collect money from awards related to the agency's participation in the seizure of controlled substances or other contraband.

17. **To prepare and submit a report on the accomplishment of Division objectives for incorporation into the agency's *FY2005 Annual Report* to be presented to the Board by its May 2006 Board Meeting.**

Status: **ACCOMPLISHED**

Comment: The division's first draft of the *FY2005 Annual Report* was submitted to the Executive Director by the due date. The final draft of the TSBP *Annual Report* was presented to and approved by the Board at its May 2006 Board meeting.

Objectives (Ongoing) - Licensing

18. **To coordinate the collection of licensing data for Key Performance Targets required under the 2006-2007 Appropriations Act and to submit to the Executive Director by specified due dates throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: The following chart reflects all year-end data for Licensing Measures required to be reported on an annual basis to the Legislative Budget Board. The statistical data was submitted to the Legislative Budget Board and Governor's Office of Budget, Planning and Policy by the prescribed due dates, in conjunction with the Enforcement performance measures. Within a 5% variance, the division met or exceeded 78% of these measures.

PERFORMANCE MEASURES	TARGET FY06	ACCOMPLISHED FY06	Key or Non Key (K-NK)	Expectations
Percent of Licensees with No Recent Violations	99%	96.57%	K	Met
Percent of Licenses Who Renew Online	75%	84.58%	K	Exceeded
Percent of New Individual Licenses Issued Online	75%	80.17%	NK	Exceeded
Individuals Examined (examinations administered)	1,500	1,742	NK	Exceeded
Number of Licenses Renewed (Pharmacists)	11,058	11,657	K	Exceeded
Number of New Licenses Issued to Pharmacists	870	1,091	K	Exceeded
Number of New Registrations Issued to Technicians	6,000	5,420	NK	Not Met
Number of Registrations Renewed (Technicians)	10,500	10,012	NK	Met
Average Licensing Cost Per Individual Pharmacist License Issued	$10.44	$11.89	K	Not Met
Average Licensing Cost Per Facility License	$35.12	$41.09	K	Not Met

ADMINISTRATIVE SERVICES & LICENSING

PERFORMANCE MEASURES	TARGET FY06	ACCOMPLISHED FY06	Key or Non Key (K-NK)	Expectations
Issued				
Average Cost Per Exam Administered	$73.76	$69.75	NK	Exceeded
Average Cost Per Individual Technician Registered	$5.52	$8.22	NK	Not Met
% of New Licenses Issued within 10 Days	98%	100%	NK	Exceeded
% Individual Licenses Issued within 7 Days	98%	100%	NK	Exceeded
Total Number of Individuals Licensed (pharmacists)	22,200	23,323	NK	Exceeded
Total Number of Business Facilities Licensed	5,950	6,201	K	Exceeded
Total Number of Individuals Registered (Technicians)	28,000	30,091	NK	Exceeded
Pass Rate (pharmacist applicants)	89%	85.77%	NK	Met

In addition to these statistics, division (Licensing) staff had the following workload statistics:

WORKLOAD	STATISTIC
Changes of Address/Employment/Name	8,485
Telephone Calls Received	25,000
Email Inquires Answered	15,000
Missing Item, Delinquent, Reminder Letters Sent	9,270

19. To determine the eligibility of all pharmacist applicants applying to take the NAPLEX and Texas Pharmacy Jurisprudence Examination for initial licensing or licensing by reciprocity throughout FY2006.

Status: **ACCOMPLISHED**

Comment: Staff continued to present the NAPLEX and MPJE Orientation to students of Texas Southern University, University of Houston and Texas Tech University, in addition to an Intern Orientation to these same schools.

The following statistics relate to all applicants who were determined eligible and received a score for the NAPLEX and MPJE in FY2006:

JURISPRUDENCE (MPJE)	Total Exams Administered
Candidates Passing	992 (90.02%)
Candidates Failing	110 (9.98%)
TOTAL EXAMS JURISPRUDENCE	1102 (100.0%)

NAPLEX	Total Exams Administered
Candidates Passing	569 (79.25%)
Candidates Failing	149 (20.75%)
TOTAL EXAMS NAPLEX	718 (100.0%)

The total number of new licenses issued to individuals is as follows:

NEW PHARMACISTS LICENSED - FY06	
Graduates of Texas Colleges of Pharmacy	390 (35.75%)
Graduates of Out-of-State Colleges of Pharmacy	617 (56.55%)
Credentialed by the Foreign Pharmacist Equivalency Committee	84 (7.70%)
Total	1,091 (100%)

Regarding reciprocity (license transfer) in and out of Texas, 363 candidates were licensed by reciprocity in FY2006, and the agency responded to requests from NABP for verification of licensure status of Texas licensees desiring to transfer to other states. The National Association of Boards of Pharmacy reports that in calendar year 2006, Texas saw the most requests for licensure transfer into the state with 394, and 269 requests to transfer to other states.

20.   To provide staff support to the Examination Retake Committee and any other advisory committee related to licensing issues as required in FY2006.

Status: ACCOMPLISHED

Comment: Division Director continued to inform applicants who failed the Board licensing examination(s) three times of the committee recommendations to complete college coursework prior to retaking the examination(s).

21.   To issue an initial and/or renewal certificate to all pharmacy license applicants on receipt of the required fees and all required documents according to the following guidelines throughout FY2006:

A.   initial certificates to pharmacy license applicants within an average of 21 working days; and

B.   renewal certificates to pharmacy license applicants within four working days.

Status: ACCOMPLISHED

Comment: The following chart represents the total number of pharmacy licenses (business or facilities) issued by the agency, and includes five classes of pharmacy licenses. In addition to these statistics, as an extension to an existing pharmacy license, the agency currently licenses 1,200 "satellite pharmacies," or Remote Pharmacy Services that use automated pharmacy systems and telepharmacy systems.

The average processing time to issue a license from receipt of a completed application was two working days for a pharmacy renewal and 15 working days for a new pharmacy license. Approximately 16% of pharmacies applied or renewed their registrations online. The total number of active pharmacy licenses at the end of the fiscal year was as follows:

PHARMACIES ACTIVE FY06	
Class A (Community)	4,326
Class B (Nuclear)	38
Class C (Institutional)	1,007
Class D (Clinic)	429
Class E (Non Resident)	401
TOTAL	6,201

A total of 4,371 change documents were processed as follows:

PHARMACY APPLICATIONS PROCESSED	
Pharmacy Renewals	2,523
Remote Licenses Issued	314
New Opens	373
Change of Ownership	571
Change of Location/Name	153
Closings	280
Changes of Managing Officers	157
TOTAL	4,371

22. **To issue renewal certificates to all pharmacist candidates within an average of four working days of receipt of the required fee and all required documents throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: The agency renewed 11,657 pharmacist licenses on a biennial basis during FY2006. Approximately 80% of eligible pharmacists renewed their licenses online. The average processing time to issue a renewal license from receipt of a completed application was two business days. The total population of licensed pharmacists for this fiscal year is as follows:

PHARMACISTS LICENSED – FY06	
Active Status	22,018
Inactive Status*	1,305 **
TOTALS	23,323

* Not practicing pharmacy in Texas and not reporting continuing education credits.
** Of the above number, 348 pharmacists have been practicing in Texas for more than 50 years or are greater than 72 years old, and are classified as Aexempt.@

23.   **To issue a pharmacist license by examination, score transfer, or reciprocity within an average of ten working days after the date the agency receives the examination results throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: The agency issued 1,091 new pharmacist licenses with an average turnaround time of three business days from the download of the examination results. Examination results were downloaded approximately once every five business days.   Barring any other requirements that might be due for initial licensure, candidates received notice of their new licenses within an average of seven business days of their examination date.

Of particular note, was the implementation of a temporary pharmacist licensure program as a result of Hurricanes Katrina and Rita.   A Temporary License Application for a pharmacist with an active license in another state and operating under the sponsorship of a Texas licensed pharmacy was developed and provided online within two days of the Katrina disaster. 95 temporary licenses were issued in this manner.

Other accomplishments included the implementation of the Texas Online Exam/Reciprocity application programs and continued revisions to the agency web site.

24.   **To register all qualified pharmacist-interns within an average of 20 working days of the receipt of all required documents.**

Status: **ACCOMPLISHED**

Comment: 822 new intern registrations were issued in FY2006, and all interns were certified within an average of four business days after receipt of all required documents.   A total of 1,812 pharmacist preceptors were certified within five days of receipt of required documents.

Of particular note was the successful certification of the student interns who transferred from Louisiana to Texas following the devastation caused by Hurricane Katrina. This process was accelerated with the result that the majority of these student interns were certified within one day of receipt.

25. **To audit the pharmacists' compliance with continuing education and to initiate complaints on pharmacists who are not in compliance with the rules regarding pharmacists' mandatory continuing education for renewal, in cooperation with the Enforcement team, throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: Of the total number of audits initiated (180), 99% of the audits were closed or referred to Enforcement.

26. **To issue initial and/or renewal certificates to all pharmacy technician candidates within an average of four working days of receipt of the required fee and all required documents throughout FY2006.**

Status: **ACCOMPLISHED**

Comment: The agency issued 5,420 new registrations to pharmacy technicians and renewed 10,012 registrations on a biennial basis during FY2006, bringing the total population of active registered technicians for this fiscal year to 30,091. Approximately 90% of pharmacy technicians applied or renewed their registrations online. The average processing time to issue a renewal license from receipt of a completed application was two business days.

27. **To issue initial certificates to all pharmacy technician trainee candidates within an average of four working days of receipt of the required documents throughout FY2006.**

Status: **NOT ACCOMPLISHED**

Comment: The process of registering technician trainees was scheduled to begin in FY2007.